

# UNNUMBERED LETTERS ISSUED FOR THE MONTH OF MAY 2002

Dated	Subject	Distribution
05-03-02	Rural Business-Cooperative Service Business Programs Annual Report for Fiscal Year 2001	S/D
05-06-02	Operations and Management Teleconference	S/D
05-07-02	Update on USDA Mandated On-Line Civil Rights Training for Supervisors and Managers	S/D
05-09-02	Freedom to e-File Act – Training	S/D
05-13-02	Thrift Savings Plan (TSP) Open Season	N.O. Employees
05-15-02	Freedom to e-File Act – Access to WebCAAF	S/D
	May 16, 2002, RBS Administrator’s Teleconference Agenda	S/D
05-16-02	Business and Industry Guaranteed Loan Program Regional, Multi-State, and Non-Traditional Lenders	S/D
05-22-02	General Accounting Office (GAO) New Audit Standards	S/D
	Elimination of the Automated Clearing House (ACH) Pre-Audit Requirement	S/D
	Intermediary Relending Program Third Quarter Funding	S/D
05-23-02	Balancing Single Family Housing Direct Loan Underwriting Objectives With Serving the Most Needy Applicants	S/D
05-24-02	Transit Program Participants Who Use a Metro Smart Card	N.O.Employees
	Interest Rate Changes for Housing Programs and Credit Sales (Nonprogram)	S/D, D/D, C/S

May 24, 2002

SUBJECT: Transit Program Participants Who Use a Metro  
Smart Card

TO: Rural Development National Office Employees

This is a reminder to all employees who use a Metro Smart Card to only put one month's fare subsidy on the Smart Card at a time. If an employee puts more than one month on his or her Smart Card, it creates a problem when the employee chooses to leave the Agency. When an employee leaves the Agency, they are required to return unused fare media. The fare media to be returned to the Government is calculated based on what the employee received at the last distribution and the number of workdays remaining in the quarter (not to exceed 20 days per month). Some employees attempt to turn in a Smart Card to repay their transit to the Government and we cannot accept it. The Smart Card is the employee's personal property and does not belong to the Government. In this case, the employee must write a check for the outstanding balance payable to the U.S. Treasury before the employee can be signed out for final clearance from the Agency.

If you have any questions concerning this matter, please contact Judy Steer at 202-692-0012.

*(Signed by Sherie Hinton Henry)*

SHERIE HINTON HENRY  
Deputy Administrator for  
Operations and Management

EXPIRATION DATE:  
May 31, 2003

FILING INSTRUCTIONS:  
Administrative/Other Programs

May 24, 2002

SUBJECT: Interest Rate Changes for Housing Programs  
and Credit Sales (Nonprogram)

TO: Rural Development State Directors,  
Rural Development Managers,  
and Community Development Managers

ATTN: Rural Housing, Program Director

The following interest rate, effective June 1, 2002, is changed as follows:

<u>Loan Type</u>	<u>Existing Rate</u>	<u>New Rate</u>
ALL LOAN TYPES		
Treasury Judgement Rate	2.700%	2.360%

The Department of Treasury, working with Congress has eliminated the auction of the 52-week bill. The Treasury Judgement rate therefore is no longer based on this auction. The Treasury Judgement rate is now based on the weekly average 1-year Constant Maturity Treasury (CMT) yield. The rate is published by the Federal Reserve System, Board of Governors. The current rate shown above is as of the week ending 4/26/02. The actual judgement rate that will be used will be the rate for the calendar week preceding the date the defendant becomes liable for interest.

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June 30, 2002

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Administrative/Other Programs

This rate may be found by going to the Federal Reserve web site for the weekly average 1-year CMT yield ([www.federalreserve.gov/releases/h15/data/wf/tcm1y.txt](http://www.federalreserve.gov/releases/h15/data/wf/tcm1y.txt)).

Please notify appropriate personnel of this interest rate information.

*(Signed by Arthur A. Garcia)*

ARTHUR A. GARCIA  
Administrator  
Rural Housing Service

Sent by Electronic Mail on 5/24/02 at 3:08 p.m. by PAD.

May 23, 2002

TO: All State Directors  
Rural Development

ATTENTION: Single Family Housing Program Directors

FROM: Arthur A. Garcia *(Signed by Arthur A. Garcia)*  
Administrator  
Rural Housing Service

SUBJECT: Balancing Single Family Housing Direct Loan Underwriting Objectives  
With Serving the Most Needy Applicants

The purpose of this memorandum is twofold, both intents having equal weight. The memorandum will refocus attention to the importance of achieving high quality loan underwriting while still serving the most needy applicants. The memorandum will also call upon States to analyze the relationship between loan underwriting and first year delinquency.

### **LOAN UNDERWRITING**

Quality loan underwriting not only ensures that we properly and prudently use funds, it impacts the first year delinquency rate. The first year delinquency rate reflects our ability to provide our borrowers with the necessary skills and tools to become successful homeowners and impacts the longevity of the program. High quality loan underwriting coupled with homeownership education can contribute to a reduction in the first year delinquency rate thus supporting continued funding of our programs.

As of April 30, 2002, the first year delinquency rate was 2.34 percent. This low rate can be attributed to improvements in our loan underwriting and loan servicing methods, enhancements to our computer systems, the Centralized Servicing Center (CSC), and the continued efforts of our State and Field Office staff. There is, however, room for improvement, which is evident by the fact that within the last 12 month period as of May 1, 2002, 14.8 percent of the first year delinquent accounts were in foreclosure, 6.7 percent were in moratorium, and 5.2 percent were in bankruptcy.

EXPIRATION DATE:  
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FILING INSTRUCTIONS:  
Housing Programs

## **SERVING THE NEEDIEST APPLICANTS**

The highest quality of loan underwriting does not entail the rejection of all applicants with any blemish regardless of magnitude. The highest quality of loan underwriting requires that the loan be made in accordance with the 7 CFR Part 3550 and the accompanying handbook, but it also requires the Agency explore every avenue available to make homeownership possible for our applicants. Were all compensating factors considered? Was a credit waiver granted if there were justifiable reasons? Did the Agency aid the applicant in seeking homeownership education or counseling? If the Agency rejects an application without considering underwriting allowances, then we failed to properly serve our customers.

## **STATE OFFICE MONITORING**

State Offices should monitor their first year delinquency rates using the monthly report prepared by the Collection Services Branch in CSC. This report contains an attachment that provides the rolling new loan delinquency rates for the last 12 months. In addition, State Offices can obtain first year delinquency data using the FOCUS Ad Hoc Reporting System (see Attachment III for instructions). On a quarterly basis, State Offices should conduct a review of all Field Offices with a first year delinquency rate that has remained above the State average for the preceding 3-month period. For those Field Offices that fall within this category, State Offices are asked to conduct an onsite visit or request case files to conduct a review of the delinquent loans made in those Field Offices during the fiscal year to date. State Offices should also review first year delinquent loans involving foreclosures, bankruptcies, delinquency workout agreements, and moratoriums. Attachment I, "Single Family Housing Oversight Review," should be completed on each case file reviewed.

The National Office will hold quarterly teleconferences with selected States to discuss their first year delinquency and monitoring efforts. Special emphasis will be placed on the following elements: foreclosures, bankruptcies, delinquency workout agreements, and moratoriums. During these teleconferences, the results of the oversight reviews will be discussed and action plans to improve loan underwriting will be developed. Notification of these teleconferences will be issued to the selected States by the 10<sup>th</sup> day of the month following the end of the quarter (January 10<sup>th</sup>, April 10<sup>th</sup>, July 10<sup>th</sup>, and September 10<sup>th</sup>). Given the date of this memorandum, the first notification will be issued by July 10, 2002.

At the end of each quarter, State Offices should also conduct a review of at least 25 percent of applications withdrawn or rejected in each Field Office during that quarter. Attachment II, "Single Family Housing Withdrawn/Rejected Review," should be completed on each selected application. The results of the review should be used for training the Field Office staff.

If you have any questions regarding this memorandum, please contact Brooke Baumann of the SFHDL at (202) 690-4250.

**Attachment I**

**Single Family Housing Oversight Review**

<b>Borrower's Name:</b>			<b>Account Number:</b>		
<b>Date review was completed:</b>					
<b>RHS Loan Amount: \$</b>			<b>RHS % of Total:</b>		
<b>Leveraged Loan (LL) Amount: \$</b>			<b>LL % of Total:</b>		
<b>LL Amount: \$</b>			<b>LL % of Total:</b>		
<b>Grant Amount: \$</b>			<b>Grant % of Total:</b>		
<b>Grant Amount: \$</b>			<b>Grant % of Total:</b>		
<b>Appraised Value: \$</b>					
<b>Date loan was obligated:</b>			<b>Date loan closed:</b>		
<b>Check if applicable:</b>	<b>RHLP Loan:</b>	<b>CDFI Loan:</b>	<b>Self-Help Loan:</b>		
<b>Account status as of date of review:</b>					
<b>Check if applicable:</b>	<b>Loan in Foreclosure:</b>	<b>Borrower in Bankruptcy:</b>	<b>Loan in Moratorium:</b>		
<b>Delinquency Workout Agreement in Effect:</b>					

**I. CREDIT:**

1. Date of the last residential mortgage credit report (RMCR): \_\_\_\_\_
2. Does the credit meet the standards outlined in the 7CFR 3550.53 (h) and HB-1-3550, Chapter 4, Section 3? \_\_\_\_ (Yes) \_\_\_\_ (No). If not, explain.
3. Was a waiver granted if the credit requirements were not met? \_\_\_\_ (Yes) \_\_\_\_ (No)
4. Was Form RD 1944-61, "Credit History Worksheet" used to summarize the credit history? \_\_\_\_ (Yes) \_\_\_\_ (No). If not, explain.

## **II. RATIOS:**

1. The PITI and TD ratios at loan closing: \_\_\_\_\_% and \_\_\_\_\_% (respectively)
2. Were the ratio calculations completed in UniFi? \_\_\_\_\_ (Yes) \_\_\_\_\_ (No). If not, explain.
3. Did the ratios meet the requirements outlined in the 7 CFR 3550.53 (g) and HB-1-3550, Chapter 7, Section 4? \_\_\_\_\_ (Yes) \_\_\_\_\_ (No). If not, explain.
4. For leveraged loans, was the lender's payment considered in both the PITI and TD ratios? \_\_\_\_\_ (Yes) \_\_\_\_\_ (No). If not, explain.

## **III. VERIFICATION/CALCULATION OF INCOME AND ASSETS:**

1. At the time of eligibility determination, loan obligation/approval, and loan closing, were the income verifications valid (less than 90 days old from the date of the action unless orally re-verified when the written verification expired thus extending the verification an additional 60 days)? \_\_\_\_\_ (Yes) \_\_\_\_\_ (No). If not, explain.
2. Did the income meet the requirements outlined in the 7 CFR 3550.53 (a) and (g) and HB-1-3550, Chapter 4, Sections 1 and 2? \_\_\_\_\_ (Yes) \_\_\_\_\_ (No). If not, explain.

## **IV. PAYMENT ASSISTANCE AGREEMENT:**

1. Date of Form RD 1944-14, Payment Assistance/Deferred Mortgage Assistance Agreement:  
\_\_\_\_\_
2. Was the form completed in accordance with the 7 CFR 3550.68 and HB-1-3550, Chapter 7, Section 3? \_\_\_\_\_ (Yes) \_\_\_\_\_ (No). If not, explain.
3. Date the agreement was activated in FASTeller: \_\_\_\_\_
4. Was the agreement activated timely and properly? \_\_\_\_\_ (Yes) \_\_\_\_\_ (No). If not explain.



**Single Family Housing Withdrawn/Rejected Review**

**Applicant's Name:** \_\_\_\_\_  
\_\_\_\_\_

**Account Number:** \_\_\_\_\_

1. Was the applicant's PITI and TD ratio calculated correctly? Yes or No
2. Were all sources of income considered? Yes or No
3. Were all allowable deductions made? Yes or No
4. If the applicant lacked adequate repayment ability, were they counseled about adding additional parties to the note or locating a cosigner? Yes or No or N/A
5. If the applicant's adjusted income did not exceed 60 percent of the applicable area median income and the conditions outlined in HB-1-3550 Chapter 7 were met, was a 38-year term considered? Yes or No or N/A
6. If the applicant's family was experiencing unreimbursed medical expenses in excess of 3 percent of annual income, was the applicable asset limit increased by the amount of the medical expenses in excess of 3 percent of annual income? Yes or No or N/A
7. **Were any of the following compensating factors applicable but not considered in the eligibility determination?** Yes or No or N/A
  - Payment History: The applicant historically paid a greater share of income for housing with the same income and debt level.
  - Savings History: The applicant had accumulated savings and a savings history that showed a capacity to set aside a larger-than-average portion of income.
  - Job Prospects: The applicant recently entered a profession in which he/she could expect a significant pay increase.
  - Adjustments for Nontaxable Income: The applicant had a source of income not subject to Federal taxes, which could be grossed up.
8. If the applicant had credit blemishes, did the local office explore the reasons behind the occurrences to ascertain if a credit waiver was feasible? Yes or No or N/A
9. Were applicable appeal and ECOA rights provided? Yes or No

**FOCUS Report – First Year Delinquency Data**

1. Log into FOCUS through NITC
2. Press F3 from page 1 of the FOCUS Main Menu
3. At the FOCUS prompt (“>”) type:  
tso copy ‘aff915.focexec.data(newloan)’ ‘af\_\_\_\_.focexec.data(newloan)’ and press the  
“Enter” key. (Please note that af\_\_\_\_ represents your user id number.) This will copy the  
report into your directory.
4. Run the report

Questions concerning the execution of this FOCUS report should be directed to:

Mary P. Leidl  
ITS/CSCB  
ml121@stl.rural.usda.gov  
Phone: 314-206-2723  
Fax: 314-206-2100

May 22, 2002

TO: State Directors  
Rural Development

ATTENTION: Rural Housing Program Directors

FROM: David J. Villano *(Signed by Lucia McKinney)* for  
Deputy Administrator  
Single Family Housing

SUBJECT: Elimination of the Automated Clearing House (ACH) Pre-Audit  
Requirement

In the past, States that did not meet the following criteria for two consecutive months based on the monthly Quality Assurance Report (QAR) were required to conduct pre-audits:

Tax Information Worksheet	95% or higher accuracy rate
Escrow Payment	95% or higher accuracy rate
Payment Assistance Activation	95% or higher accuracy rate
Escrow Deposit	97% or higher accuracy rate

Since errors involving the above criteria have significantly decreased through your training efforts, we are eliminating the ACH pre-audit requirement. States may elect to continue with the pre-audit process on their own accord. Please note that States are still responsible for verifying the ABA routing number, the bank account number, and the actual release of requested funds.

In addition to eliminating the pre-audit requirement, a task force has been developed to revamp the QAR so that the reporting elements reflect current and pressing issues regarding new loan set-up. By the calendar year-end, the QAR will have updated reporting elements and be more clear and concise.

States should continue to use the QAR as a tool to identify areas of concern and provide the necessary training/guidance to their field/area staff on proper processing.

If you have any questions regarding this memorandum, please contact Brooke Baumann of the Single Family Housing Direct Loan Division at (202) 690-4250 or Linda Hinebauch of the Centralized Servicing Center at (314) 206-2660.

EXPIRATION DATE:  
May 31, 2003

FILING INSTRUCTIONS:  
Housing Programs

May 22, 2002

SUBJECT: General Accounting Office (GAO) New Audit Standards

TO: Rural Development State Directors  
National Office Officials

ATTN: Administrative Program Directors and  
Management Control Officers

This unnumbered letter is to inform you of significant changes to the auditor independence requirements under the Government Auditing Standards, which are as follows:

1. Auditors should not perform management functions or make management decisions; and
2. Auditors should not audit their own work or provide non-audit services in situations where the amounts or services involved are significant/material to the subject matter of the audit.

For non-audit services that do not violate the above standards, certain supplemental safeguards would have to be met. For example: (a) personnel who perform non-audit services would be precluded from performing any related audit work; (b) the auditor's work could not be reduced beyond the level that would be appropriate, if the non-audit work was performed by another unrelated party; and (c) certain documentation and quality assurance requirements must be met.

The new standards are applicable to all audits for periods beginning on or after October 1, 2002, and are available for review on GAO's web site at <http://www.gao.gov/govaud/ybk01.htm>. Please provide this information to your borrowers.

EXPIRATION DATE:  
May 31, 2003

FILING INSTRUCTIONS  
Administrative/Other Programs

If you have additional questions concerning this matter, please contact the Financial Management Director at (202) 692-0080.

*(Signed by Michael E. Neruda)*

MICHAEL E. NERUDA  
Deputy Under Secretary  
Rural Development

Sent by electronic mail 5/22/02 at 10:40 a.m by FMD.

May 22, 2002

SUBJECT: Intermediary Relending Program  
Third Quarter Funding

TO: State Directors, Rural Development

ATTN: Business Programs Directors

The fiscal year (FY) 2002 third quarter funding selections for the Intermediary Relending Program (IRP) non-earmarked funds are listed below for your information. The priority points for each project are inclusive of any Administrator points that were awarded. The selections are as follows:

State	Project Name	Amount	Priority Points
MN	Northland Foundation	\$500,000	175
OR	Lane Council of Governments	\$500,000	173
SD	Rural Electric Economic Development	\$750,000	171
MA	Cape & Islands Community Development Corporation	\$750,000	171
OR	Curry Economic Development Corporation	\$200,000	170
NV	Rural Nevada Development Corporation	\$750,000	166
ID	Panhandle Area Council	\$100,000	165
OK	Rural Enterprises of Oklahoma, Inc.	\$500,000	163
<b>Total</b>		<b>\$4,050,000</b>	

Please provide appropriate notification to all applicants that did not receive an allocation. Applications that have been considered for an allocation of funds in four quarterly funding cycles will receive no further consideration, in accordance with RD Instruction 4274-D, section 4274.344(b). Applications that have been considered in less than four

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September 30, 2002

FILING INSTRUCTIONS:  
Community/Business Programs

quarterly funding cycles will be considered again next quarter. Any revisions in priority scoresheets that are intended for consideration in the funding cycle for the fourth quarter of FY 2002 must be received in the National Office **by July 31, 2002.**

*(Signed by William F. Hagy)*

WILLIAM F. HAGY III  
Deputy Administrator  
Business Programs

May 16, 2002

SUBJECT: Business and Industry Guaranteed Loan Program  
Regional, Multi-State, and Non-Traditional Lenders

TO: State Directors, Rural Development

ATTN: Business Programs Directors

Several of you have expressed concerns about regional, multi-State, and non-traditional lender servicing.

In an effort to combine our resources and determine how to handle some of the problems that you are encountering, we are proposing a teleconference. The purpose of the teleconference is to (1) decide how to best move forward, (2) hear all issues, and (3) plan specific actions, i.e., meetings or correspondence with the lender to address more than one issue. The teleconference will give each of you an opportunity to discuss problems with other States experiencing the same or similar problems. We think a united approach to these issues is needed, and this forum will provide an opportunity for each of you to voice your concerns. We will work with you to develop a strategy for working with the lenders.

Attached is a spreadsheet to gather some basic information regarding the lenders in question. Please provide the attached information **by May 24, 2002**. Once we have your responses, an agenda will be developed for discussion purposes. We will contact you with a specific time and date.

We are planning a 2-hour teleconference initially and will follow up with other teleconferences as needed. Please indicate your interest by emailing your concerns/topics on the attached spreadsheet to Nichelle Daniels, Loan Specialist, Business and Industry Division Servicing Branch, at [nichelle.daniels@usda.gov](mailto:nichelle.daniels@usda.gov). Local lender issues will be addressed at a separate time.

***(Signed by William F. Hagy III)***

WILLIAM F. HAGY III  
Deputy Administrator  
Business Programs

Attachment

EXPIRATION DATE:  
May 31, 2002

FILING INSTRUCTIONS  
Community/Business Programs



## Business and Industry Guaranteed Loan Program

Regional, Multi-State and Non-Traditional Lenders

State:

State Office Contact:

[illegible]

May 15, 2002

SUBJECT: May 16, 2002, RBS Administrator's Teleconference Agenda

TO: State Directors, Rural Development

ATTN: Business Programs Directors and  
Cooperative Development Specialists

This is in follow up to my May 7, 2002, unnumbered letter notifying you of the teleconference on Thursday, May 16, 2002, 2:00 - 4:00 p.m. Eastern Time. Attached is the tentative agenda for that teleconference. Also attached is "Farm Bill Changes to Business Programs" for your review prior to the teleconference. If you have any questions or concerns regarding the attachments, please contact Business Programs Deputy Administrator William F. Hagy III directly, (202) 720-7287.

*(Signed by John Rosso)*

JOHN ROSSO  
Administrator  
Rural Business-Cooperative Service

Attachments (7 pages)

Sent by e-mail by DABP on 05-15-02 @ 1:50 p.m.

EXPIRATION DATE:  
May 31, 2002

FILING INSTRUCTIONS:  
Community/Business Programs

**USDA, Rural Development**  
**Rural Business-Cooperative Service**

***ADMINISTRATOR'S TELECONFERENCE***  
**May 16, 2002 - 2:00-4:00 pm Eastern Time**  
**Telephone (412) 858-4600, Access Code: Operator Assisted**

**A G E N D A**

- Roll Call Hagy
- Opening Comments by the Deputy Under Secretary Neruda
- Opening Comments by the Administrator Rosso
- Business Programs Issues: Hagy
  - \* Update on RDAPTS Berger
  - \* Reports (Cooperative Activity and the Colonias) Hagy
  - \* Urbanized Area - 2000 Census Hagy
  - \* RD AN 3700 (1901-E) Update Hagy
  - \* Farm Bill (see attachment) Hagy
  - \* FY 2001 Annual Report Hagy
  - \* Policy Meeting Hagy
  - \* Division Director Reports
    - Specialty Lenders Division Scruggs
    - Special Projects/Programs Oversight Division Carmon
    - Business and Industry Division Parker
- Cooperative Service Issues: Torgerson
  - \* St. Louis Training for Cooperative Development Specialists, May 21-23, 2002
  - \* Rural Cooperative Development Grant Program schedule
  - \* Value-Added Agricultural Product Market Development Grant Program:
    - VADG
    - Innovation Demonstration Centers
- Roll Call and Questions & Answers from State Office Hagy
- Closing Comments/Adjourn Rosso

**USDA, Rural Development Revised May 14, 2002**  
**Rural Business-Cooperative Service**  
**Business Programs**

**F A R M   B I L L**  
**CHANGES TO BUSINESS PROGRAMS**

**Business and Industry Guaranteed Loan Program Changes**

**Sec. 6007:** Allows issuance of tax exempt bonds by public bodies to secure loans for water, wastewater, and essential community facilities financed under the B&I Guaranteed Loan Program.

**Sec. 6013:** Adds, as a specific eligible purpose, “and other renewable energy systems (including wind energy systems and anaerobic digesters for the purpose of energy generation”.

**Sec. 6017:**

Loan Guarantees for the Purchase of Cooperative Stock

- \* Existing as well as start-up cooperatives are eligible.
- \* Processing contracts for 5-year initial startup period.
- \* Financial information other than Generally Accepted Accounting Principles (GAAP), as long as generally accepted by commercial agricultural lenders.

Intangible Assets: For cooperative organizations, the Secretary may consider the market value of a properly appraised brand name, patent, or trademark of the cooperative when determining eligibility.

Definition of Rural Area

- \* Any area other than an incorporated city or town with greater than 50,000 population and the urbanized area contiguous and adjacent to such city or town.

Loan Guarantees in Non-Rural Areas

- \* Cooperative organizations.
- \* Facility provides value-added processing for agricultural producers located within 80 miles of the facility.
- \* Must demonstrate to the Secretary that primary benefits will provide employment for rural area residents.
- \* Cannot exceed 10 percent of the appropriated level.
- \* Limited to \$25 million maximum.

Loans to Cooperatives and Limitations

- \* Cooperative headquarters can be in urban area as long as the project/facility is located in a rural area or meets requirements for loan guarantees on projects located in non-rural areas.
- \* Refinance existing B&I loan, provided the loan (1) is current, (2) is not or has not been in payment default, and (3) adequate collateral is available.
- \* Authorizes \$40 million in principal amount to any one cooperative, provided:
  - the project is located in a rural area and
  - it provides value-added processing of an agricultural commodityOtherwise, limited to \$25 million in principal amount.
- \* Maximum amount of loans made above \$25 million in principal amount is limited to 10 percent of the appropriation.

Cooperative Stock Purchase Loan Guarantee Program

- \* Expands to include existing cooperatives.
- \* Allows processing contracts during initial 5 years of startup to allow construction of facility.
- \* Allows lender to accept financial information generally acceptable to the commercial agricultural lender in lieu of using Government Accepted Accounting Principals (GAAP).

Loan Appraisals

- \* Secretary may require appraisals to be conducted by specialized appraisers using standards used in the private sector.

Loan Origination Fees Limitations

- \* Limits fee to 2 percent of guaranteed portion of the loan.
- \* Report language is to recognize annual renewal fees.

**Sec. 6019:** Simplified application for loans \$400,000 or less in FY 2002 and 2003 and, starting in FY 2004, up to \$600,000.

**Sec. 6020:** Rural and Rural Area: Any area other than an incorporated city or town with greater than 50,000 population and the urbanized area contiguous and adjacent to such city or town.

\* \* \* \* \*

**Rural Business Enterprise Grant Program**

**Sec. 6014:**

- \* Definition: Amends the definition of “small and emerging private business enterprise” to exclude restrictions on the number of employees or operating capital of the enterprise for non-profit and tax-exempt organizations with a principal office located on land of an existing or former Native American Reservation and in a city, town, or unincorporated area that has a population of not more than 5,000 inhabitants.
- \* Grant Purposes: Grants may be used for the creation, expansion, or operation of value-added processing in connection with production agriculture. Priority consideration will be given to these projects.

**Sec. 6020:** Definition of Rural Area

- \* Any area other than an incorporated city or town with greater than 50,000 population and the urbanized area contiguous and adjacent to such city or town.

\* \* \* \* \*

**Sec. 6020:** Definition of Rural Area

- \* Any area other than an incorporated city or town with greater than 50,000 population and the urbanized area contiguous and adjacent to such city or town.

\* \* \* \* \*

**Rural Business Investment Program**

**Sec. 6020:** Paragraph (E), pages 6-33, “Rural area” is any area that is located (1) outside standard metropolitan statistical area or (2) within a community that has a population of 50,000 inhabitants or less.

**Sec. 6029:** Creates a program for equity capital investments through a combination of guaranteeing debentures of Rural Business Investment Companies and grants to those companies. The purpose is to foster economic development in rural areas.

- \* Mandatory funding.
- \* Day-to-day operation delegated to another Federal agency with experience (Small Business Administration).

\* \* \* \* \*

**Rural Venture Capital Demonstration Program**

- \* Authority is repealed.

\* \* \* \* \*

**Use of Rural Development Loans and Grants for Other Purposes**

\* For loan/grant programs described in Section 381E(d) (RCAP), the Secretary may be allowed to use property (real and personal) purchased or improved with loan/grant funds for another project or activity, provided the project:

1. will be carried out in the same area as the original project/ activity,

2. meets the criteria for a loan or grant described in Section 381E(d), and
3. satisfies any additional requirements established by the Secretary.

\* \* \* \* \*

#### **Alternative Agricultural Research and Commercialization Corporation**

- \* Repealed.

\* \* \* \* \*

#### **Fund for Rural America**

- \* Repealed.

\* \* \* \* \*

#### **Energy Audit and Renewable Energy Development Program**

**Sec. 9005:** Make competitive grants to eligible entities to assist farmers, ranchers, and rural small business in becoming more energy efficient and in using renewable energy technology and resources.

- \* Requires consultation with the Department of Energy and establishment of a Merit Review Panel for reviewing applications.
- \* 25 percent of the costs of audit is to be borne by the recipient. Matching funds to be used by the grantee for further funding of audits.
- \* Discretionary funding.

\* \* \* \* \*

#### **Renewable Energy Systems and Energy Efficiency Improvements:**

- \* Renewable Energy includes:
  - Wind, solar, biomass, and geothermal.
  - Hydrogen derived from biomass or water



- \* Direct loan, loan guarantee, and grant program.
- \* Assistance provided to farmers, ranchers, and rural small businesses.
- \* Grant limitations: 25 percent of costs.
- \* Maximum combined loan and grant: 50 percent of costs.
- \* Interest rate: Rate equivalent to the rate charged on Treasury securities of comparable maturity.
- \* Mandatory funding of \$23 million of Budget Authority for Fiscal Years 2003 through 2007.

May 15, 2002

TO: Rural Development  
State Directors

*(Signed by Timothy J. Ryan) for*

FROM: Sherie Hinton Henry  
Deputy Administrator  
for Operations and Management

SUBJECT: Freedom to e-File Act – Access to WebCAAF

You were recently notified of training for the WebCAAF (Web Centralized Authentication and Authorization Facility)/WebRegistration and eForms Service applications. The attached memorandum reviews the current requirement to use the Combined Administrative Management System (CAMS) Operator ID and Passwords until such time as a single sign-on process is deployed.

If you have already issued CAMS IDs and Passwords to your employees, please verify that the employee office e-mail addresses and telephone numbers have been entered using the CAMS query.

For those States where there was no distribution of CAMS IDs and Passwords, or there was partial distribution, **this will need to be accomplished by May 20, 2002**. Detailed instructions are included in the attached memorandum to confirm that the CAMS IDs and Passwords are current. Your listing to the CAMS Team should break down the IDs and Passwords by the Personnel Office Identifiers (POI). In addition, Human Resource Staffs are requested to verify the Office Information Profile System (OIP) information is correct for each position.

We have also attached a checklist of major tasks States must accomplish in order to implement these systems and meet the information collection requirements of the Freedom to E-File Act.

If you have questions regarding the eForms Service applications, please contact Peggy Stroud of the System Services Division in St. Louis, Missouri. You may reach her at (314) 539-2458. Questions relating to the WebCAAF/WebRegistration should be directed to Brent Trout at (816) 823-1119.

Attachments

EXPIRATION DATE:  
May 30, 2003

FILING INSTRUCTIONS:  
Administrative/Other Programs

Sent by email to State Directors and Administrative Program Directors on 05/16/02 at 9:16 a.m. by PSS.

SUBJECT: Freedom to E-File Act - Access to WebCAAF

TO: State Leaders  
Farm Service Agency  
Natural Resources Conservation Service  
Rural Development

**ACTION REQUIRED BY: May 20, 2002, and June 3, 2002**

You recently received a memorandum notifying you of training for the WebCAAF (Web Centralized Authentication and Authorization Facility)/WebRegistration and eForms Service applications. The plans for implementation of electronic services under the Freedom to E-File Act call for the use of a single sign-on process through the CCE. Until the CCE is fully deployed nationwide, we will be using the CAMS Operator ID and Password as the single sign-on .

Many of you have already distributed a CAMS Operator ID and Password to your employees, and they are using the self-service features of CAMS. **If you have distributed the CAMS Operator IDs and Passwords to your employees**, the only activity required of your staff is to verify that the employee e-mail addresses and telephone numbers have been entered using the CAMS query, AMDC\_EMAIL\_PHONE.

The remainder have either partially distributed the CAMS Operator IDs and Passwords or made no distribution at all. **If you have not distributed the CAMS Operator IDs and Passwords to all of your employees, you will need to do so by May 20, 2002.** We recognize that the CAMS Operator IDs and Passwords you originally received are probably out of date. Therefore, please have your staffs do the following:

1. Send an e-mail to the CAMS Team requesting that the CAMS IDs and Passwords for your serviced POIs be reset. Include the contact name and street address of the person who will be responsible for making the distribution to your offices. Please note that this process will reset ALL of the CAMS Operator IDs and Passwords for the requested POIs.
2. Shred the original letters that were sent to your HR office.
3. Distribute the new CAMS Operator IDs and Passwords with instructions appropriate for your offices (i.e. some offices choose not to use all self service functions of CAMS and your instructions may want to do the same). Please note, the letter containing the CAMS Operator ID and Password does advise the user to change their password upon initial entry.

4. The letter containing the CAMS Operator ID and Password will tell the employee to enter the office e-mail and telephone information into CAMS Self-Service. In lieu of each employee inputting this information, you may send a spreadsheet with your employees' name, employee id, e-mail address and work telephone number to the CAMS Team. They will then download the data into CAMS. This should be completed by **June 3, 2002**.

**General Reminders for Human Resource Staffs:**

1. You should verify the OIP information. For the eGov initiatives, it is important that the positions are assigned to the appropriate office id. There are several queries in CAMS available to assist with this determination, as well as the OIP employee directory which may be accessed through the CAMS Self-Service site, found at <http://cams.usda.gov/>.
2. The procedures for adding and resetting passwords in CAMS are found in Broadcast Message No. 79, dated August 10, 2001.
3. The CAMS Operator ID and Password for FSA and County employees on temporary appointments will continue to be assigned on a case-by-case basis.

**Action Dates:**

1. **May 20, 2002:** CAMS Operator IDs and Passwords distributed to all employees.
2. **June 3, 2002:** Office E-mail addresses and telephone numbers should be entered into CAMS for all applicable employees.

The point of contact with the CAMS Team is Sandra Smiley. Requests to rerun the CAMS Operator IDs and Passwords for your POI(s) and for the e-mail downloads may be sent to her via e-mail, [sandra.smiley@nfac.usda.gov](mailto:sandra.smiley@nfac.usda.gov). If you have any questions, you may contact Sandra by telephone at (301) 504-4133 or Hans Heidenreich at (301) 504-4128.

If you have questions relating to the WebCAAF (Web Centralized Authentication and Authorization Facility)/WebRegistration, contact Brent Trout at 816-823-1119. For the eForms Service applications, you should contact Peggy Stroud at 314-539-2458.

/s/ Sharon Randolph  
for  
Sherie Hinton Henry  
Deputy Administrator for Operations and Management  
Rural Development

/s/ P. Dwight Holman

P. Dwight Holman  
Deputy Chief for Management  
Natural Resources Conservation Services

/s/ John Williams

John Williams  
Deputy Administrator for Management  
Farm Service Agency

## STATE CHECKLIST FOR IMPLEMENTING WebCAAF AND eFORMS

The Web Centralized Authentication and Authorization Facility (WebCAAF) will be available for use June 3, 2002. The eForms Service will be available for use June 17, 2002. Given below is a checklist of major tasks States must accomplish in order to implement these systems and meet the information collection requirements of the Freedom to E-File Act.

Major Task	Complete By:
<b>1. Inform employees.</b>	On-going
<b>2. Ensure adequate Service Center Information Management System (SCIMS) access within the State.</b> <ul style="list-style-type: none"> <li>- Obtain SCIMS logins for all employees that have already been trained by June 3, 2002.</li> <li>- Information on training options for other employees will be sent in the near future.</li> </ul>	June 3 and on-going
<b>3. Ensure that all employees needing WebCAAF or eForms access have been assigned a CAMS Operator ID and Password.</b> <p>The steps to accomplish this task will be outlined in a letter to the State Leaders and HR Staffs.</p>	May 20
<b>4. Implement procedures to handle situations where eForms automatic email notifications will not work for Service Centers.</b> <p>See attached paper on Service Center Email Notification Issues.</p>	June 17
<b>5. Download CCE Approved Adobe Reader 5.05 on all machines needing to access eForms.</b> <p>The approved reader and download instructions will be available for "Silent Install" from the CCE and other Web Sites, (<a href="http://www.sci.usda.gov/cce/index.html">http://www.sci.usda.gov/cce/index.html</a>) in early May.</p>	June 17
<b>6. Sign-Up appropriate State Office staff for WebCAAF and eForms Train-the-Trainer training.</b> <p><a href="http://www.info.usda.gov/egovtraining">www.info.usda.gov/egovtraining</a></p>	May 10
	May 3, 2002

## STATE CHECKLIST FOR IMPLEMENTING WebCAAF AND eFORMS

<b>7. Attend Train-the-Trainer training for WebCAAF and eForms.</b>	May 13 - May 24
<b>8. Train Service Center staff.</b>  Either provide training or assure available time for staff self-training.	May 13 - June 17
<b>9. Distribute brochures to interested customers.</b>  Brochure will be mailed in late May.	June 3 and on-going
<b>10. Ensure required monitoring tasks take place on at least a weekly basis.</b>	June 17 and on-going
<b>11. Enhance local marketing of WebCAAF and eForms and provide feedback to assist with enhancing eGovernment activities.</b>	June 17 and on-going

May 3, 2002



## **Service Center Email Notification Issues**

Under the circumstances listed below a USDA customer may choose to use the new eForms Service but employees in that office will not receive an automatic email notification of the transaction. These circumstances include:

1. The [allagencyemp@STCity.fsc.usda.gov](mailto:allagencyemp@STCity.fsc.usda.gov) email addresses may not exist or function in accordance with the Lan/Wan/Voice Interim Email Plan. (To our knowledge this is the case in only 3 states, and they have been notified.)
2. Service Centers where email services are provided by the State Office.
3. Service Centers where the UNIX mail server is not functioning.

Unless the circumstances above can be remedied by June 17, 2002 the State Office must designate employees to regularly check the eForms work queue for electronic submissions from customers. The eForms work queue can be checked at a state level or lower in the organization using easily accessed reports designed for monitoring eForms activity.

Further information on the eForms work queue, automatic email notifications, and activity reports will be presented during eForms training the week of May 20<sup>th</sup> to aid you in determining a course of action if needed for your State.

The following CBA core teams member will be available for information/assistance:

Terry Buettgenbach, NRCS, ITC – 970.295.5552, [tbuettge@itc.nrcs.usda.gov](mailto:tbuettge@itc.nrcs.usda.gov)

Ragh Singh, FSA, NHQ - 202-720-7094, [Raghvendra.Singh@usda.gov](mailto:Raghvendra.Singh@usda.gov)

**May 3, 2002**

May 13, 2002

SUBJECT: Thrift Savings Plan (TSP) Open Season

TO: All National Office Employees  
RUS Field Employees

Open Season for TSP is from May 15 through July 31, 2002. It is during this period that employees may elect to begin contributing to the TSP, change the amount or percentage of contributions, or cancel their TSP contributions (without losing the right to resume contributions the next open season). Employees hired from July 1 to December 31, 2001 are now eligible to receive Agency matching contributions this Open Season. Following are important reminders regarding the TSP Open Season:

- Payroll contribution rate is 12% of basic pay earned per pay period for FERS employees and 7% for CSRS and CSRS-Offset employees.
- Elective deferral limit for 2002 is \$11,000
- To increase or decrease the percentage of your contributions, you may use the Employee Express website at <http://www.employeeexpress.gov> or you may submit a TSP-1, Election Form, to the Human Resources office in room 1331-S or mail the form to Rural Development Human Resources, Stop 0730.
- To change allocations, you must complete TSP-50, Investment Allocation Form, and mail it directly to the address provided on the form, or use the TSP website (<http://www.tsp.gov>) or call the TSP Thriftline (504-255-8777) to make the desired changes. You must use an original TSP-50 and not a copy because this form is designed to be read by an optical scanner. If you are newly enrolled in the TSP and you are making your first contribution allocation, do not submit this form until you have received your New Account letter, which confirms that your account has been established.
- Interfund transfer requests may be made on the TSP-50, Investment Allocation Form, or on the TSP website (<http://www.tsp.gov>).

If you have questions regarding TSP or TSP Open Season, please call Diane Nero at (202) 692-0172.

*(Signed by Timothy J. Ryan)*

TIMOTHY J. RYAN  
Assistant Administrator  
for Human Resources

EXPIRATION DATE:  
May 30, 2003

FILING INSTRUCTIONS:  
Administrative/Other Programs

May 9, 2002

TO: Rural Development  
State Directors

FROM: Sherie Hinton Henry      *(Signed by Sharon Randolph)*    *for*  
Deputy Administrator  
for Operations and Management

SUBJECT: Freedom to e-File Act – Training

Please read the attached memo, which sets up a schedule for training on WebCAAF (Web Centralized Authentication and Authorization Facility)/WebRegistration and eForms Service applications through NetMeeting sessions and the County Based Agencies (CBA) plans for implementation of electronic services that will be offered to our customers.

In States where the CBA State Offices are collocated or nearby, you are requested to join from a single site as the number of connections for each session is limited. If other USDA State Offices are already scheduled for one of the sessions, please make arrangements to join them.

Each State is requested to appoint an eGovernment Representative who will assist in the coordination of efforts associated with eForms Services with Natural Resources Conservation Service and Farm Service Agency State Offices. You are requested to contact Doris Greiner no later than May 17, 2002, with the name and email address of the eGovernment Coordinator for your State. You may reach Doris by calling (202) 690-4492 or at her email address: [dgreiner@rdmail.rural.usda.gov](mailto:dgreiner@rdmail.rural.usda.gov).

Attachment

EXPIRATION DATE:  
May 30, 2003  
Programs

FILING INSTRUCTIONS:  
Administrative/Other

Sent by electronic mail to State Directors on 05-09-02 at 2:00 P.M. by PSS.

Subject: Freedom to E-File Act - Training

To: State Leaders  
Farm Service Agency  
Natural Resources Conservation Service  
Rural Development

ACTION REQUIRED BY: May 10, 2002

The County Based Agencies (CBA), composed of Natural Resources Conservation Service (NRCS), Rural Development (RD) and Farm Service Agency (FSA), have developed plans for incremental implementation of electronic services that will be offered to our customers as an alternative to the agencies' traditional service delivery approach. Ultimately, eGovernment mandates will drive fundamental change in the way that CBA services are delivered.

A priority for the CBA's is to implement the capability for Service Center agricultural producer customers to electronically access and submit information. The plan is to offer an expanded on-line forms service (information collection), where the customer can select a service center office and send the form electronically by June 2002. A prerequisite to using this forms service will be customer and employee registration in an authorization program. The service will be based on an existing customer-centric web site ([www.sc.egov.usda.gov](http://www.sc.egov.usda.gov)) where customers can locate agency forms, obtain instructions on completing the forms, record the necessary data, and submit the data to the local CBA office.

To accomplish this, the CBA's will offer "train-the-trainer" training for WebCAAF (Web Centralized Authentication, Authorization Facility)/ WebRegistration and eForms Service Applications. These are the two Web-based applications being implemented to meet the information collection requirements of the Freedom to E-File Act by June 2002. Training on other eGovernment activities (such as automated news lists, event calendar) will be addressed separately.

The training will be provided simultaneously for CBA State Office level staffs, via NetMeeting and teleconference, from May 12 through around May 24. Each session will be 2 hours long. Training materials and policies and procedures will be provided at the web site listed below.

Beginning the week of May 13, a total of 9 two-hour NetMeeting sessions will be held throughout the week to present WebCAAF/WebRegistration information. Beginning the week of May 20, a total of 9 two-hour sessions will be held throughout the week to present eForms Service information. A maximum of 11 sites (connections) may attend each session. In States where the CBA State Offices are collocated, agencies should join from a single site, using a projection system connected to a local computer.

Following these training sessions, State Offices may use a variety of methods to train Service Center staffs. Options range from NetMeeting sessions to employee self training, using the materials provided. WebCAAF/WebRegistration application will be available to the public June 3, and the eForms Services application will be available June 17. It is possible that customers will begin to request these services anytime after these dates. This will require a “non traditional approach” (such as NetMeeting) to get the training to your local offices to meet the legislated deadlines.

A web site with training information and an electronic sign-up sheet will be available at [www.info.usda.gov/egovtraining](http://www.info.usda.gov/egovtraining), for selection of a date and time for each of the applications (WebCAAF/WebRegistration and eForms Services). Attendance at each session will be limited to 11 sites, and will be on a first come first serve basis. States must register for both a WebCAAF/WebRegistration and an eForms Services session by May 10, 2002.

Attendees should include State Office staff who will be involved with training Service Center staffs and the IT Manager. Staff members who will actually use the application, should be considered as potential trainers.

States needing assistance in setting up NetMeeting should contact Terry Buettgenbach, at 970-295-5552, as soon as possible.

If you have additional questions prior to the training, contact any of the following training team members: Ragh Singh, FSA, (202) 720-7094; Doris Greiner, RD, (202) 690-4492; and Terry Buettgenbach, NRCS, (970) 295-5552.

/s/ Sherie Hinton Henry

Sherie Hinton Henry  
Deputy Administrator for Operations and Management  
Rural Development

/s/ P. Dwight Holman

P. Dwight Holman  
Deputy Chief for Management  
Natural Resources Conservation Service

/s/ John Williams

John Williams  
Deputy Administrator for Management  
Farm Service Agency

May 7, 2002

SUBJECT: Update on USDA Mandated On-Line Civil Rights Training for Supervisors and Managers

TO: Rural Development Agency Heads  
Acting Deputy Administrator, OCD  
Rural Development State Directors

As you know, the On-line Civil Rights Training for Supervisors and Managers was mandated by USDA. A number of Rural Development (RD) managers and supervisors have expressed concern about difficulty in using the web based civil rights training. Especially in some field offices, the time to download data and move from page to page often consumes far too much time and some of the instructions concerning the modules and navigating the Skillsoft application were unclear.

USDA has now acknowledged that these concerns cross agency lines and has taken steps to provide an alternative means to ensure training completion. As a result, the Department has extended the deadline for completion to May 30, 2002.

The Department has advised that if you or any of your employees are encountering such problems, the following steps will constitute satisfactory completion of the training.

1. Read the four documents at:

- <http://www.opm.gov/diversity/diversity-3.htm>
- <http://www.hqnet.usda.gov/cr/WELCOME.HTM> (click on the button labeled "CPRC Document" to reach the document)
- [http://www.hqnet.usda.gov/cr/eeo\\_aa.htm](http://www.hqnet.usda.gov/cr/eeo_aa.htm)
- <http://www.opm.gov/perform/articles/014.htm> , titled "Communicate! Communicate!" Note: the documents can be read on-line or printed for reading)

2. In field offices, the State Director should sign a statement certifying that the training has been completed. (See Attachment 1). The statements should be sent to Ms. Monika Kruger at [mkruger@rdmail.rural.usda.gov](mailto:mkruger@rdmail.rural.usda.gov) or by fax to (202) 401-1051, by May 30, 2002.

EXPIRATION DATE:  
July 30, 2002

FILING INSTRUCTIONS:  
Administrative/Other Programs

3. In the National Office, including St. Louis, Agency Heads and equivalents should sign the certifying statement. (See Attachment 1). The statements should be sent to Ms. Monika Kruger at [mkruger@rdmail.rural.usda.gov](mailto:mkruger@rdmail.rural.usda.gov) or by fax to (202) 401-1051, by May 30, 2002.

Many managers and supervisors also expressed concern regarding the Skillsoft requirement that questions be correctly answered before the trainee may go forward in a module. This requirement has been changed. Now, all you have to do is answer the question. The course will provide the correct answer, and allow a person to continue through the course.

Another area concerns what constitutes completion of an on-line module. Ignore all references to percentages of completion found in the Skillsoft courses. These are not applicable to USDA employees taking the three required civil rights course modules. USDA has developed its own tracking system. The software documents how long a trainee reviews each of the three modules and if each page of a module has been reviewed. Employees will be considered as having completed a module when they have reviewed each page. The Department anticipates that a review of each page of a module should take no more than one hour.

If you are not experiencing undue difficulty, you and your employees should try to finish the training as instructed. You are also encouraged to make use of the other SkillSoft courses that are available in addition to the civil rights training.

If there are further questions, please feel free to contact Ms. Kruger at (202) 401-9790.

*(Signed by Sherie Hinton Henry)*

SHERIE HINTON HENRY  
Deputy Administrator for  
Operations and Management

Attachment

Sent by electronic mail on 05-07-02 at 1:38 p.m. by HR

cc: National Office Officials (RBS, RHS, RUS, OCD, O&M)  
State Administrative Program Directors/Human Resource Managers



**Attachment 1-Certification**

**MANDATORY ON-LINE CIVIL RIGHTS TRAINING FOR SUPERVISORS AND  
MANAGERS**

The supervisors and managers of \_\_\_\_\_ ( Fill in State or  
National Office Organization, e.g. Iowa or Rural Business-Cooperative Service) have completed  
the required Civil Rights Training.

Total Number of Trainees: \_\_\_\_\_

1-# Completed On-Line: \_\_\_\_\_

2-# Completed by Paper: \_\_\_\_\_

Signature: \_\_\_\_\_

Name/Title

Date: \_\_\_\_\_

May 6, 2002

**TO:** State Directors and  
National Office Operations and Management Managers  
Rural Development

**ATTN:** Administrative Program Directors/  
Administrative Officers

**FROM:** Sherie Hinton Henry                      *(Signed by Sherie Hinton Henry)*  
Deputy Administrator  
for Operations and Management  
Rural Development

**SUBJECT:** Operations and Management Teleconference

**DATE:** May 6, 2002

The Administrative Program/Director=s teleconference that was scheduled for July 17, 2002, has been cancelled. The next teleconference is rescheduled for **Wednesday, August 28, 2002, at 3:00 PM, Eastern Daylight Time (EDT).** The access number will be (412) 858-4600 with no pass code. There are 60 lines designated for this teleconference. If you are located in the National Office area, please report to Room 1605-S. If you have trouble connecting to the teleconference please call the Trouble Line on 202-720-8560.

If you have any questions regarding the teleconference, please contact Anissa Johnson at (202) 692-0200.

Thank you.

Sent by electronic mail on 05-09-02 at 3:00 p.m. by DAOM.

EXPIRATION DATE: August 28, 2002

FILING INSTRUCTIONS:  
Administrative/Other Programs

May 3, 2002

SUBJECT: Rural Business-Cooperative Service Business Programs  
Annual Report for Fiscal Year 2001

TO: State Directors, Rural Development

ATTN: Business Programs Directors

Attached are three copies of subject for your information. We hope this will be helpful in administering Business Programs within your State. As was done last year, this Annual Report will also be available on the Internet. If you have any questions or need clarification on any of the information provided or wish additional copies, please contact my office directly, (202) 720-7287.

***(Signed by William F. Hagy III)***

WILLIAM F. HAGY III  
Deputy Administrator  
Business Programs

Attachments

Copies distributed to State Offices by hard copy by DABP.

EXPIRATION DATE:  
September 30, 2002

FILING INSTRUCTIONS:  
Community/Business Programs